

## **Testimony of Sarah White**

In Support, with Amendments, of S.B. 293 (An Act Concerning a Study of Rent Stabilization) and S.B. 300 (An Act Concerning a Study of Rent Increases)

Sens. Lopes and Anwar, Reps. Williams and Smith, and other members of the Committee: thank you for giving me the opportunity to testify. My name is Sarah White, and I am an attorney at the Connecticut Fair Housing Center, a civil rights organization dedicated to ensuring all of Connecticut's residents have access to the housing of their choice. I'm testifying in support, with amendments, of S.B. 293 (An Act Concerning a Study of Rent Stabilization) and S.B. 300 (An Act Concerning a Study of Rent Increases).

Rather than studying the issue as the bills propose, we strongly support taking action this session to reign in skyrocketing rents by (1) requiring Fair Rent Commissions in larger towns and cities (as proposed by H.B. 5205), (2) expanding Good Cause eviction protections to cover more renters (as proposed by H.B. 5233), and (3) limiting rent increases during the public health emergency to no more than 3% annually.

We know large rent increases are a problem across the state and are pushing out renters, especially Black and Latinx renters, from their communities and fueling housing instability. Average rents in Connecticut are up 12% over the last 18 months, with increases of nearly 20% in some markets in just the last year. Vacancy rates are also down, meaning renters facing large rent increases have few options to move. Even before the pandemic and skyrocketing rents over the last year, more than 50% of Connecticut renters were cost-burdened, meaning they spent more than 30% of their household income on housing costs, and 27% were severely cost-burdened, spending more than half of their monthly income on housing costs—many renters cannot afford to pay hundreds more per month.

Some landlords also appear to be taking advantage of the tight rental market by price gouging—increasing rent in substandard, unsafe apartments, knowing tenants have little

chance of finding another apartment. We've heard from tenants facing rent increases of 25% or more—hundreds of dollars a month—for apartments infested with roaches and rats, full of holes in the walls and ceiling, and without sufficient heat.

Rising rents are an urgent problem, and Connecticut already has policies on the books that can be immediately expanded to reign in excessive rent increases while we develop a comprehensive solution to housing unaffordability:

- Fair Rent Commissions work to stop excessive rent increases and to compel landlords to fix unsafe, unhealthy housing through a complaint process that's accessible to everyone involved and requires minimal investment from the municipality. Fair Rent Commissions have operated for more than 50 years and are currently in around two dozen Connecticut municipalities. But many cities do not have Fair Rent Commissions, meaning tenants facing unfair or retaliatory rent increases are essentially out of luck. Fair Rent Commissions should be required in all larger towns and cities so tenants are equally protected from rent gouging.
- Good Cause Eviction protections should be expanded to all renters living in larger complexes. For over forty years, Connecticut has prohibited no-fault evictions against renters who are at least 62 years old or have a disability and live in a complex with five or more units. Under the Good Cause law, landlords can still evict tenants if they have a reason, like if a tenant doesn't pay rent or violates the lease. But Good Cause prevents these renters' arbitrary displacement from their homes and ensures that any rent increases they receive are fair and equitable. No-fault evictions more than doubled from Aug Dec 2021 compared to Aug Dec 2019 and are often motivated by discrimination or follow a large, unfair rent increase. Good Cause should be expanded to cover all renters in complexes with five or more units to protect tenants' right to remain in their homes and ensure that rent increases are fair and equitable.

We can expand Good Cause eviction protections and require Fair Rent Commissions now to give tenants immediate relief from rising rents. Additionally, we can impose a limit of rent increases of no more than 3% for the duration of the public health emergency while we assess longer-term rent stabilization measures. These could

include passing enabling legislation that would give municipalities <u>the option</u> of placing caps on rent increases or even creating a statewide cap on rent increases, like Oregon and California have recently done.

Rent stabilization affirmatively protects tenants from excessive rent increases by creating a schedule for reasonable and gradual rent increases that fairly compensate the property owner. It promotes long-term housing stability and addresses affordability issues across an entire city or state, rather than relying on a complaint-based system.

Rent stabilization is also a critical tool to redress historical disinvestment in predominately Black and Latinx neighborhoods without displacing the families who live there and have been most harmed by decades of racial discrimination. With rent stabilization measures in place, cities can make investments in neighborhoods that have historically experienced disinvestment because of racial discrimination and redlining without risking that the rising property values that result will displace the families who already live there through increased rents and gentrification. Tenants can know that holding a landlord accountable for poor conditions won't result in skyrocketing rents and displacement.

Rent stabilization allows renters to stay in their homes and neighborhoods, even when they are experiencing gentrification, by keeping housing costs more affordable and with predictable increases. Studies of cities that have enacted rent stabilization measures show that it works to make housing affordable and stable, especially for low-income renters who have the least choice in the rental market and are most susceptible to rent-gouging, eviction, and displacement, and that it does not discourage new investments in housing.<sup>1</sup>

We urge the Committee to take action now to address soaring rents and give tenants security in their homes by requiring Fair Rent Commissions and expanding Good Cause Eviction protections. Thank you for the opportunity to testify.

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<sup>&</sup>lt;sup>1</sup> See Amee Chew and Sarah Treuhaft, Our Homes Our Future: How Rent Control Can Build Stable, Healthy Communities, available at https://ourhomesourfuture.org/.